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DE RUEHSG #0410 1192020
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R 292020Z APR 09
FM AMEMBASSY SANTIAGO
TO RUEHC/SECSTATE WASHDC 4880
INFO RUEHAC/AMEMBASSY ASUNCION 3951
RUEHBO/AMEMBASSY BOGOTA 2409
RUEHBU/AMEMBASSY BUENOS AIRES 1470
RUEHBR/AMEMBASSY BRASILIA 0884
RUEHCV/AMEMBASSY CARACAS 2075
RUEHPE/AMEMBASSY LIMA 6159
RUEHMN/AMEMBASSY MONTEVIDEO 4381
RUEHQT/AMEMBASSY QUITO 2342
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOG/DEPT OF COMMERCE WASHDC

UNCLAS SANTIAGO 000410

SIPDIS

STATE FOR R/MR, I/PP, WHA/BSC, WHA/PDA, INR/IAA

E.O. 12958: N/A

TAGS: [KMDR](#) [KPAO](#) [PGOV](#) [ECON](#) [PREL](#) [SNAR](#) [EFIN](#) [CI](#)
SUBJECT: CHILE MEDIA REPORT - APRIL 29

Leading Stories

[1](#)1. Chile has no confirmed cases of swine flu. Dailies also report that Chile's Air Force bought 18 F16s from Holland, making Chile's fleet the largest in Latin America.

U.S.-Related News

[1](#)2. The President of industrial holding COPEC, Roberto Angelini, commented on the subsidy U.S. cellulose producers receive: "They use the same process that is used worldwide, with black liquor as a fuel, but they call it is a biofuel. That has no basis of fact." He also foresees better economic results for the forestry and fishing sectors for this quarter compared to the same period in 2008, because of the lower fuel costs and the "relative improvement" in the prices for products from those sectors (El Mercurio, conservative, influential newspaper-of-record, circ. 129,000, 4/29).

[1](#)3. Photograph of Chilean Ambassador Jose Goni with California Governor Arnold Schwarzennger. Goni visited the Governor the week he arrived to the United States (La Segunda, conservative, afternoon, circ. 33,000, 4/28).

[1](#)4. "Little by little, the U.S. President is showing that his logo 'Yes, we can,' can produce results and that bilateral relations can be modified and eventually recomposed" (El Mercurio, 4/29).

[1](#)5. Editorial on the U.S. and swine flu scare: "The way in which U.S. authorities are keeping their population informed, a realistic and not alarmist manner, is commendable" (El Mercurio, 4/29).

F16 Purchase Plans

[1](#)6. Defense Minister Francisco Vidal said the Chilean Air Force bought from Holland 18 used F16s for US\$270 million. This would conclude the process to renew Chile's fighter fleet (El Mercurio, 4/29). (Note: an on-line service reported the Dutch indicated a sales agreement had not yet been signed.)

Bank Secrecy Legislation

[1](#)7. The government submitted to the Chamber of Deputies the draft bill to lift banking secrecy in the case of suspicious activity. The bill states that in "a free market system" and globalization it is not possible to justify this secrecy. The bill, among other things, give customs and tax courts the same authority as ordinary

courts; authorizes Chile's IRS to request information from banks regarding specific individuals, and sets strict regulations on the confidentiality of the information (Diario Financiero, 4/29).

Swine Flu

18. In Chile there are 24 suspected cases of swine flu under examination. Four are foreign citizens but most are residents of the Santiago metropolitan region. So far no one has tested positive for the virus. Senator Guido Girardi said Chile should be prepared for a pandemic by stocking up on anti viral medication. Health authorities have 350,000 doses and they have already distributed 36,000 to medical facilities nationwide. President Bachelet held an emergency meeting yesterday with her cabinet to assess the situation and urged people to remain calm given the measures in place. Health Minister Erazo said it is important is to ensure that the network of health services continue to operate adequately (Diario Financiero, business and financial, circ. 30,000; El Mercurio, 4/29).

Venezuela

19. President Hugo Chavez will visit Chile May 17-18, for a "working" session with Bachelet and an extended meeting of the delegations. Chavez' visit is part of La Moneda's goal to eliminate international tension amid its border controversy with Peru (La Tercera, conservative, independent, circ. 101,000, 4/29).
URBAN